



News from

Congressman Ron Kind

REPRESENTING WISCONSIN'S THIRD
CONGRESSIONAL DISTRICT

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KIND MAKES CASE FOR BETTER SMALL BUSINESS & FAMILY FARMER HEALTHCARE PLAN

*Unlike Kind Alternative, Studies Show that GOP Legislation Could Increase Number of
Uninsured & Reduce Benefits*

Washington, DC –U.S. Rep. Kind led efforts in the House today to provide small businesses, farmers, and self-employed workers across Wisconsin affordable access to quality healthcare through a nationwide purchasing pool. Kind's proposal was presented as the Democratic alternative to the Republican bill (HR 525) establishing "association" health plans (AHP), which are reserved for trade and industry association members only and are exempt from state health insurance regulations.

"The lack of affordable health insurance is hurting our working families, independent farmers, and small businesses," said Rep. Kind. "As the price of health care continues to rise, fewer small business employees and self-employed workers are able to afford health care, and those that do are struggling to hold on to the coverage they have. We have a choice about how we want to approach this problem; my plan is a common-sense opportunity to provide all small business employees with affordable, quality and reliable coverage-once and for all without compromising current coverage under state law."

Based on the successful Federal Employees Health Benefits Program (FEHBP), which has provided wide benefit choices at affordable prices to federal employees for decades, Kind's plan would offer small businesses and self-employed workers a minimum benefit package equivalent or greater than the options offered to federal employees. Under the plan, a nationwide insurance pool would be available for small businesses with 100 employees or less, including self-employed workers, unlike the AHP program which is reserved for trade or industry association members only. Kind's proposal also offers direct premium assistance to small businesses and their employees; the Republican bill does not.

According to the Congressional Budget Office, the Republican bill – H.R. 525 – would provide health insurance to only 600,000 of the 45 million Americans that are now uninsured. But a [Mercer Consulting study](#) estimates that the Republican bill would actually drive up the number of uninsured Americans. The CBO also estimates that 8 million Americans will see their healthcare benefits reduced as a result of the Republican legislation, and that premiums will increase for small businesses that choose not to participate in the plan created by the Republican bill.

(more)

Conversely, with Kind's proposal, millions more Americans would be eligible for coverage. Kind's measure also requires health plans to abide by state health insurance laws, while the Republican plan exempts AHPs from almost all state laws, leaving the door open for organizations to opt out of providing critical coverage for maternity care, cancer-screening procedures, mental health treatment, autism coverage and emergency room payments.

More than 45 million Americans and 563,390 Wisconsinites lack health insurance; sixty percent of these citizens are the working poor and their dependents.¹ Additionally, 10 percent of Wisconsin farm families are without health insurance, and 20 percent of dairy farm families lack coverage.² According to the same Mercer Consulting study mentioned above, health care costs have surpassed taxes as the greatest concern among small business owners. The study also shows that the two main problems for small businesses are that the size of the purchasing pool limits the insurance options available and that the small group market is costly.

"We ought to heed the Hippocratic Oath which begins *'First do no harm,'* as we consider how to best address the growing problem of healthcare in this country," said Rep. Kind. "At best, the AHP legislation offered today by House Republicans would do little to address the plight of the millions of uninsured in this country; and more likely, the plan would destabilize existing insurance providers, drive up premiums, and repeal hard fought medical coverage for women and minorities. The Democratic plan not only avoids these pitfalls, but goes farther to make healthcare more affordable for small businesses and their employees."

Today's proposal is similar to legislation introduced earlier this year by Reps. Ron Kind and Jim Cooper (D-TN), HR 1955, in the House and sponsored by U.S. Senators Richard Durbin (D-IL) and Blanche Lincoln (D-AK), S. 637.

¹ The Henry J. Kaiser Family Foundation

² Program on Agricultural Technology Studies, University of Wisconsin